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CENTRAL INTELLIGENCE AGENCY

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DDI

31 July 1956

QUARTERLY REPORT OF INTELLIGENCE SUPPORT FOR NSC POLICY PAPERS

April - June 1956 (QR-8)

I. POLICY PAPERS CONSIDERED OR ACTED ON BY THE COUNCIL ON WHICH SPECIFIC INTELLIGENCE SUPPORT WAS RENDERED.

1. Pattern of International Trade. On 26 April the NSC noted and discussed a report by DCI.

ORR Report - Pattern of World Trade with Particular Reference  
to Free World Trade with the Sino-Soviet Bloc -  
26 April 1956

2. Multilateral Export Controls on Trade with Communist China. On 26 April the NSC noted and discussed a report from the Council on Foreign Economic Policy, and the NSC agreed that the Secretary of State should be authorized to consult with UK and other participating countries.

SNIE 100-56 - Political Effects of a Relaxation of Controls on Trade  
with Communist China - 17 January 1956

NIE 100-55 - Controls on Trade with Communist China - 11 January 1955

NIE 13-56 - Chinese Communist Capabilities and Probable Courses of  
Action Through 1960 - 5 January 1956

ORR Report - Economic Impact of Differential International Trade  
Controls on Communist China - 27 December 1955

ORR Report - Evaluation of the Strategic and Economic Significance of  
Items on the Differential International Trade Control  
Lists Against Communist China - 4 January 1956

ORR Project 111.134 - Intelligence Evaluation of Strategic Importance of  
China Differential Items - 30 January 1956

ORR Report - Use of US Credits to Finance Free World Trade with the  
Soviet Bloc - 1 May 1956

ORR Report - Gains in Trade, Expressed in Dollars, Which Might Follow  
from Virtual Elimination of Trade Controls with the Bloc -  
30 January 1956

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3. Surplus Agricultural Commodities. On 26 April NSC agreed that the Secretary of State should prepare an appropriate legislative proposal for submission to the Congress dealing with trade offers involving the disposal of surplus agricultural commodities.

ORR Report - Data Related to Use of US Agricultural Surpluses as an Economic Weapon with the European Satellites - 24 April 1956, revised 6 July 1956.

4. Continental Defense. On 15 June NSC noted, discussed, and deferred action on NSC 5606.

NIE 11-2-56 - The Soviet Atomic Energy Program - 28 May 1956

NIE 11-56 - Soviet Gross Capabilities for Attack on the US and Key Overseas Installations and Forces Through Mid-1959 - 6 March 1956

NIE 11-12-55 - Soviet Guided Missile Capabilities and Probable Programs - 20 December 1955

NIE 11-6-55 - Probable Intelligence Warning of Soviet Attack on the US Through Mid-1958 - 9 June 1955

5. Satellite (NSC 5520).

NIE 11-12-55 - Soviet Guided Missile Capabilities and Probable Programs - 20 December 1955

6. East-West Exchanges (NSC 5607).

IAC-D-103 - Intelligence Aspects of the Exchange of Delegations with the USSR and the European Satellites - 28 February 1956

7. Austria (NSC 5603).

NIE 25-55 - Outlook for an Independent Austria - 23 August 1955

8. Afghanistan (NSC 5409).

NIE 53-56 - Probable Developments in Afghanistan's International Position - 10 January 1956

NIE 100-3-56 - Sino-Soviet Policy and its Probable Effects in Underdeveloped Areas - 24 April 1956

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9. Chinese Nationalist Offshore Islands. On 31 May NSC noted a summary by Mr. Dillon Anderson of current US policy, and a briefing by DCI.

NIE 100-5-56 - Chinese Communist Capabilities in the Taiwan Straits Area and Probable Courses of Action Over the Next Six Months - 22 May 1956

SNIE 100-4-56 - Possibility of Chinese Communist Military Action Against Certain Offshore Islands - 10 April 1956

NIE 13-56 - Chinese Communist Capabilities and Probable Courses of Action Through 1960 - 5 January 1956

II. OTHER MAJOR MATTERS CONSIDERED ON WHICH SPECIFIC INTELLIGENCE SUPPORT WAS NOT REQUIRED.

10. Action in Event of Unprovoked Attack (NSC 5604).
11. Security Requirements for Government Employment. On 17 May NSC noted Civil Service Commission's report and recommended that future reports should be submitted to the President rather than the NSC.
12. Review of Military Assistance. On 17 May NSC noted the President's request that country studies being prepared by the State-Defense-Treasury-ICA Interdepartmental Committee contain an approximation of the military effort that the economic resources of each country could probably sustain.
13. Directive for Net Evaluation Subcommittee (NSC 5606).
14. Radiological Hazards Following Nuclear Attack. On 24 May NSC noted that Federal Civil Defense Administration will assume responsibility for determining the extent and area of the radiological hazards following nuclear attack.
15. Attack Warning Channels. On 24 May NSC requested that Federal Civil Defense Administration submit a report by 1 June 1956; and agreed that revisions of attack warning channels and procedures, which are effected by the NSC Special Committee, should be circulated to the responsible agencies. (AD/CI is CIA's representative on the Special Committee.)
16. Technological Superiority. On 31 May NSC noted the President's instructions to Defense, National Science Foundation and the Department of Health, Education and Welfare.
17. Capability to Deal with Local Aggression in Vietnam. On 7 June NSC discussed a presentation by the Chairman, JCS, and noted the President's views.

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~~SECRET~~III. MAJOR ITEMS PENDING BEFORE THE NSC AND PLANNING BOARD.

18. Soviet Satellites (NSC 174). A revised policy will be considered by the Council in July. NIE 12-56, Probable Developments in the European Satellites Through 1960; and NIE 10-55, Anti-Communist Resistance Potential in the Sino-Soviet Bloc, will support. (NSC considered and adopted NSC 5608/1 of 18 July 1956 to supersede NSC 174.)
19. National Security Programs. In August NSC will reappraise programs on the basis of 3-Year projections.
20. Southeast Asia (NSC 5405). The Planning Board is completing its proposed revised policy for NSC consideration in August. NIE 63-56, Probable Developments in North and South Vietnam Through Mid-1957; NIE 61-56, Outlook in Burma; NIE 64-56, the Political Outlook in Malaya Through 1960; 63.3/1-55, Probable Developments in Laos to July 1956; and 63.2-55, Probable Developments in Cambodia to July 1956 have supported Planning Board deliberations.
21. Latin America. NSC is scheduled to consider Planning Board's proposed revised policy in August. NIE 100-3-56, Sino-Soviet Policy and its Probable Effects in Underdeveloped Areas; and NIE 80/90-55, Conditions and Trends in Latin America; and NIE 91-56, The Outlook for Argentina, support.
22. Nuclear Weapons Statements. A revision of the existing directive will be considered soon by the NSC.
23. East Germany. The Planning Board will begin drafting a policy paper soon. NIE 12-56, Probable Developments in the European Satellites Through 1960, and NIE 11-3-56, Probable Short-Term Communist Capabilities and Intentions Regarding Berlin, will support.
24. Disarmament. The NSC is expected to consider proposals on this subject soon. Various existing estimates, and the forthcoming NIE 11-4-56, Soviet Capabilities and Courses of Action, will support.

## Distribution:

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